GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA

UNSTARRED QUESTION NO:124
ANSWERED ON:02.02.2017
MGNREGS after Demonetisation
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Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether job losses suffered by migrant workers owing to the cash squeeze following demonetisation resulted in sudden demand for jobs under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS);

(b) if so, the details thereof and the response of the Union Government thereto;

(c) whether it is a fact that the average daily demand for work under the MGNREGS has recorded an over 60% increase in December as compared to the preceding few months and if so, the details thereof;

(d) whether the scheme is facing shortage of funds and if so, the details thereof and the action taken by the Government; and

(e) the extent to which the Government is able to meet the growing demand under MGNREGS and the steps taken or proposed to be taken by the Government in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SHRI RAM KRIPAL YADAV)

(a): There appears to be no impact of demonetization on generation of employment under MGNREGA in the months of November and December, 2016.

(b): Does not arise.

(c): As reported by States/UTs, the average range of demand for work under MGNREGA was 35-40 lakh per day during November, 2016 and 50-75 lakh per day during December, 2016.

(d): The Budget allocation was Rs.38500 crore for MGNREGA during 2016-17 and Revised Estimate is Rs.47499 crore. The Ministry has already released Rs.43034.17 crore to the States/ UTs during 2016-17 as on 27.01.2017.

The fund release to States/ UTs is a continuous process and Central Government is committed to make funds available as per actual basis.

(e): The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), 2005 provides for the enhancement of livelihood security of the households in rural areas of the States/UTs by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work. Funds for programme implementation are released to the States after verifying the performance, utilisation of funds released and as per the agreed to Labour Budget. The Government is actively engaged with State Government in establishing systems that ensure provision of work as per demand, transparency and accountability.

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